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April 13, 2001

VIA HAND DELIVERY

COPY

Ms. Roberta D. Purcell
Assistant Administrator
Telecommunications Program
Rural Utilities Service
United States Department of Agriculture
1400 Independence Ave., S.W.
Stop 1590, Room 4056-S
Washington, D.C. 20250-1560

Re: Comments on Communities' Access to Local Television

Dear Ms. Purcell:

I write on behalf of Northpoint Technology, Ltd., and Broadwave USA, Inc., (collectively, "Northpoint"), in response to the Request for Public Comment published by the Rural Utilities Service ("RUS") in the Federal Register on March 14, 2001. Northpoint has invented an advanced digital wireless system that allows terrestrial and satellite broadcasts to share the same spectrum frequencies. Even without using advanced data-compression technologies, Northpoint's patented system can provide 96 channels of digital television and is also capable of offering broadband data services. Northpoint's technology is ideally suited to provide high quality access to both analog and digital local television signals in unserved and underserved areas.

In response to a Petition for Rulemaking filed by Northpoint, the Federal Communications Commission ("FCC") recently approved the provision of terrestrial video and data services under the existing primary allocation for Fixed Services in the 12.2-12.7 GHz band. *See* First Report and Order and Further Notice of Proposed Rulemaking, *Amendment of Parts 2 and 25 of the Commission's Rules to Permit Operation of NGSO FSS Systems Co-Frequency with GSP and Terrestrial Systems in the Ku-Band Frequency Range*, ET Docket No. 98-206, FCC 00-418, ¶¶ 217, 228 (rel. Dec. 8, 2000) [hereinafter "*FNPRM*"]. These new terrestrial services will share spectrum ubiquitously with incumbent and planned satellite users of those frequencies. Northpoint's affiliates have submitted applications for licenses to provide terrestrial video and data service in all of the nation's 211 television Designated Market Areas ("DMAs").

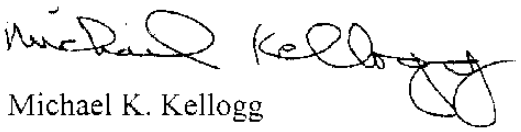
Northpoint's terrestrial system, invented by Carmen and Saleem Tawil in the early 1990s, relies on fundamental satellite sharing principles. Satellites used to provide Direct Broadcast Satellite ("DBS") service orbit around the equator; hence, all the DBS dishes in the Northern Hemisphere have a southern orientation. The dishes of Northpoint customers, by contrast, point north to receive signals from a terrestrial transmitter pointed south. This configuration allows Northpoint to operate without causing harmful interference to DBS providers. Operating with experimental licenses, Northpoint passed a number of commercial tests and the FCC acknowledged that it can co-exist in the same spectrum as DBS. *See FNPRM* ¶ 213. Attached for the record and incorporated herein by reference are two reports – one by Lucent Technologies and one by Diversified Communication Engineering, Inc. – of engineering tests performed in and around Washington, D.C., demonstrating the ability of Northpoint's system to share spectrum with DBS systems without causing harmful interference.

The two main advantages of Northpoint's system to unserved and underserved customers are low cost and the ability to carry local signals. Since Northpoint uses the same spectrum band and digital processing as DBS, the necessary transmitter and receiver equipment is commercially available, providing economies of scale and scope. The resulting cost savings allow Northpoint to offer a product similar to digital cable and DBS for a significantly lower price. Also, while DBS systems provide a uniform product nationwide, satellite capacity constraints severely restrict carriage of local channels by DBS systems. By relying on locally deployed terrestrial towers, Northpoint can efficiently transmit all local stations in any area of the country. Northpoint publicly committed on numerous occasions, to Congress and the FCC, to comply with must-carry rules similar to those that now apply to cable systems.

Section 1012 of the Launching Our Communities' Access to Local Television Act of 2000, Pub. L. No. 106-553 – the very Act that provided the impetus for the RUS's Request for Public Comment – requires the FCC to provide for an independent technical demonstration of any terrestrial service technology proposed to provide terrestrial service in the 12.2-12.7 GHz band. The FCC has chosen the MITRE Corporation to conduct the independent technical demonstration in fulfillment of this statutory obligation. Northpoint has submitted its technology for independent testing as required by the Act and is awaiting Commission action on its pending license applications. Northpoint is prepared to build out its system nationwide within two years of licensing.

Northpoint's system provides a rapid, low-cost, high-quality solution to the problem of delivering local television signals to unserved and underserved areas, in fulfillment of Congress's goal in enacting the Launching Our Communities' Access to Local Television Act of 2000.

Respectfully submitted,



Michael K. Kellogg